TESTIMONY OF CHRISTOPHER G. MANN
SENIOR OFFICER, PEW ENVIRONMENT GROUP

BEFORE THE COMMITTEE ON NATURAL RESOURCES SUBCOMMITTEE ON ENERGY AND MINERAL RESOURCES,
U.S. HOUSE OF REPRESENTATIVES

ON THE ADEQUACY OF MMS REGULATIONS

JUNE 17, 2010

Chairman Costa, Ranking Member Lamborn and Members of the Subcommittee:

My name is Christopher Mann and I serve as a Senior Officer with the Pew Environment Group in Washington, D.C. I greatly appreciate your invitation to appear before the Committee to share our views on regulation of offshore oil and gas leasing and development. The Pew Environment Group is the conservation arm of the Pew Charitable Trusts. We are dedicated to advancing strong environmental policies that are informed and guided by sound science on climate change, wilderness protection and marine conservation. I manage a number of Pew's marine conservation initiatives, including our efforts to promote comprehensive, ecosystem-based management of our oceans, coasts and Great Lakes.

The explosion and sinking in late April of the Deepwater Horizon oil rig some 50 miles off the coast of Louisiana brought once more into sharp relief the costs, both human and environmental, of our society's dependence on fossil fuels. Emerging evidence of malfunctioning equipment and repeated failures to contain the spill show the risks inherent in offshore development. Revelations about environmental shortcuts and lax oversight by the Minerals Management Service (MMS)—the federal agency charged with ensuring that offshore development is conducted safely—are equally troubling. As this unprecedented environmental disaster unfolds, it has become clear that our government system to decide where, when and how to drill in the offshore environment is in need of substantial review and reform. We believe that the management of offshore oil and gas development is deeply flawed from the five-year planning process through production. If any good can come of the ongoing environmental tragedy in the Gulf of Mexico, it is that Congress may assert its oversight responsibilities and enact significant reforms of the Outer Continental Shelf (OCS) development process.

The structural reforms proposed by the administration are an important first step in changing both the process and the culture of OCS development at the Department of the Interior (DOI). A more durable solution is for Congress to amend the Outer Continental Shelf Lands Act (OCSLA) to establish a new approach that fully and accurately assesses and manages the risks of offshore energy development. These amendments should espouse the goal of safely developing offshore energy resources while protecting the health of marine ecosystems and the coastal economies that depend on them.

Congress has not enacted significant amendments to OCSLA since 1978. In the 32 intervening years, amazing advancements in technology have allowed extraction of oil and gas from ever-deeper waters. Sadly, the technology for extraction appears to have far outstripped the quality of oil spill prevention and response capabilities. Since 1978, we have also learned a great deal about the long-lasting impacts of oil spills on marine and coastal ecosystems. Oil in the marine environment is more persistent and more toxic to marine life than was believed when Congress last seriously considered OCSLA reform. It is time for an overhaul of OCSLA and the Oil Pollution Act (OPA), the statutes that respectively govern mineral extraction from our oceans, and oil spill liability, response and recovery.

To address the shortcomings in the current system, the Pew Environment Group recommends the following commonsense reforms:

- No new offshore oil leasing, exploration or production should take place until the recommendations of the independent commission established by the President are released and new safety and environmental standards are put in place.
- Environmental and safety analysis and management should be separated from the collection of revenue from OCS minerals development.
- OCSLA, which governs offshore mineral leasing and development, and its implementing regulations should be amended to ensure the environmental effects of oil and gas development, including cumulative impacts, are thoroughly reviewed and appropriately addressed.
- OPA, which governs oil spill contingency planning and response, should be amended to increase the timeliness and effectiveness of oil spill response and recovery.
- Statutory limits on liability for damages resulting from oil spills should be eliminated to ensure that the full cost of economic and environmental damages is recovered.

These recommendations are addressed in detail below.

MMS has proved incapable of effective planning, regulation and oversight, and federal law governing oil and gas activities on the OCS does too little to ensure that coastal and ocean ecosystems are protected. There are several key problems with the current statutory regime:

Single-sector approach—Decisions about oil and gas activities on the OCS have not been integrated with other ocean management decisions. Both the Pew Oceans Commission and the U.S. Commission on Ocean Policy cited single-sector management as a factor that contributes significantly to the degradation of marine ecosystems, and recommended moving towards multi-objective regional planning for the conservation and management of marine resources.

Focus on expeditious development—In planning and administering OCS oil and gas activities, existing law requires MMS to balance oil and gas development with the protection of human, marine and coastal environments. In practice, however, MMS prioritizes resource extraction, often at the expense of these other concerns as demonstrated by the current spill.

Lack of substantive standards—Under OCSLA, MMS need only consider environmental impacts and then can balance potential harms and benefits with oil and gas development in

whatever way it wants. OCSLA does not include substantive, enforceable standards mandating environmental protection to which decision-makers can be held accountable.

Decision-making in the hands of the MMS alone—MMS lacks expertise or institutional interest in broad ocean issues and has clearly failed to assess objectively and accurately the potential risks of OCS drilling. Other agencies with expertise and management responsibility over marine and coastal resources have only a limited role in decisions regarding oil and gas planning, leasing, exploration and development. The devastating effects that oil and gas development can have on marine life require a more balanced assessment of costs and benefits that can only be achieved by bringing in additional natural resource perspectives and expertise.

Inadequate environmental analyses: Current law allows MMS to avoid preparing full and comprehensive analyses at both the programmatic and site-specific project stage, as contemplated by the National Environmental Policy Act (NEPA).

Inadequate response capability: Current law does not mandate that oil spill response plans be effective, or that response capacity and technical standards for safety and efficacy of response be sufficient.

RECOMMENDATIONS

The current system for planning, analyzing and overseeing oil and gas activities on the OCS must be reformed. Ideally, OCS oil and gas decision-making should be integrated into a comprehensive ocean governance structure, as has been recommended by the Pew Oceans Commission, the U.S. Commission on Ocean Policy and President Obama's Ocean Policy Task Force. Until such an approach can be developed and implemented, targeted amendments to OCSLA and OPA 90[1] are necessary to improve the OCS oil and gas planning and development process and reduce the likelihood of future offshore oil spills and other environmental impacts.

I. ESTABLISH A MISSION AND SUBSTANTIVE STANDARDS THAT PROTECT MARINE AND COASTAL RESOURCES AND THE ENVIRONMENT

MMS's[2] focus on resource extraction, and its failure to ensure protection of coastal and ocean ecosystems, can be traced directly to the policy set forth in OCSLA. Section 3 states in part that the OCS should be made available for "expeditious and orderly development, subject to environmental safeguards." 43 U.S.C. § 1332(3). This policy has allowed MMS to treat protection of the environment as a secondary consideration. Moreover, although certain of

[1] In many instances, statutory changes would require corresponding changes to agency regulations. For example, changes to OCSLA would likely require DOI to revise the regulations that implement OCSLA. In the absence of legislative action, DOI can also make substantial revisions to the OCSLA regulations on its own.

[2] On May 19, 2010, Secretary of the Interior Ken Salazar signed a Secretarial Order that calls for MMS to be reorganized into three separate administrative entities. In this document, "MMS" refers to Minerals Management Service or its successor agencies.

OCSLA's provisions address environmental concerns, they lack meaningful and substantive standards. As a result, the statute gives enormous discretion to the agency, which routinely tips the balance in favor of oil extraction over environmental protection. To address these issues, Congress should (1) change the nation's OCS policy and/or make Congressional findings to prioritize protection of coastal and marine ecosystem health; and (2) set forth meaningful, substantive standards designed to reduce environmental impacts to better guide agency decision making.

A. Amend OCSLA's OCS policy and/or add Congressional findings

Under OCSLA, the nation's OCS policy does not place sufficient emphasis on protection of coastal and ocean ecosystem health. Congress should clarify that OCS oil and gas activities can occur only when science demonstrates that development poses minimal environmental risk. To that end, Congress should amend the nation's existing OCS policy to state that protection, maintenance and (where appropriate) restoration of coastal and ocean ecosystems is the paramount OCS policy objective; development of mineral resources is permissible only if it will not compromise that objective. The amended policy should provide that oil and gas activities on the OCS are appropriate only:

- In those areas of the OCS where science shows that oil and gas activities can proceed with minimal risk to the health of ocean ecosystems;
- When regulators have a thorough understanding of the ecosystem and environmental baseline, the risks of exploration or development, and the potential consequences of accidents;
- Rigorous safety measures are in place and enforced, and there is a demonstrated ability to mount an effective response to accidents in real-world conditions;
- When oil and gas activities would not impede the development and production of renewable energy; and
- When such activities use the best available technology in order to ensure the highest levels of protection for human life and marine resources.

This policy can be amplified in Congressional findings that recognize the value of non-mineral marine and coastal resources such as:

- Healthy coastal and ocean ecosystems are of vital importance to the nation;
- These ecosystems provide jobs, food, recreational opportunities, and subsistence resources, and they support and provide habitat for fish, marine mammals, birds and other wildlife;
- They provide myriad other ecosystem services; and
- The OCS surface and seabed may be important for the development of renewable energy sources.

B. Improve agency decision making by enacting meaningful, substantive standards

Although some provisions of OCSLA address environmental concerns, those provisions do not contain meaningful, substantive standards. For example, when developing a five-year leasing program, OCSLA requires the Secretary of the Interior to "consider" environmental values and "balance" impacts on the environment with oil and gas development. 43 U.S.C. § 1344(a). The lack of specific standards gives the Secretary broad discretion, which provides little accountability for or yardsticks with which to measure decisions. OCSLA should be amended so that environmental concerns and marine resources are not just "considered" or "balanced," but are protected pursuant to a discernable, enforceable standard. Specifically, amendments should include the following substantive standards:

- In developing five-year oil and gas leasing programs, Congress should require the lead agencies to identify important ecological areas within the areas proposed for inclusion in the program.[3] Such areas should be excluded from the five-year leasing program, and any areas included in or likely to be affected by a five-year program should be subject to specific, stringent precautions that must be satisfied before the sale of any leases wholly or partially within them.
- Congress should require the collection of specific types of baseline scientific information on OCS areas before they can be included in a five-year program. For example, before an area of the OCS is included in a five-year program, Congress should require three (or more) years of baseline weather, water, wind, ocean chemistry and other environmental data. It should require similar baseline studies for wildlife—including fish, birds, invertebrates and marine mammals—and of the benthic environment. Unless and until such data are compiled for a given area of the OCS, that area should not be eligible for inclusion in a five-year program. In addition, Congress should require a more rigorous and meaningful evaluation of environmental sensitivity and marine productivity based on the baseline science information. In the event of a spill, these data can play a critical role in contributing to natural resource damage assessments.
- Under OCSLA, MMS "sells" leases, which give oil companies the conditional right to explore for and develop oil on certain tracts of the ocean floor. History shows that the mere existence of these rights—whatever their scope—may skew government decision-making toward allowing oil and gas exploration and development to go forward, even if there are legitimate reasons not to proceed. To guard against this imbalance, Congress should require potential lessees to meet specific standards *before* OCS lease tracts are sold. For example, Congress should prohibit the sale of oil and gas leases unless and until operators have demonstrated their ability to respond effectively to an oil spill in

[3] Congress could define important ecological areas as geographically delineated areas which by themselves or in a network have distinguishing ecological characteristics, are important for maintaining habitat heterogeneity or the viability of a species, or contribute disproportionately to an ecosystem's health, including its biodiversity, function, structure, or resilience. For example, important ecological areas could include areas of high productivity or diversity; areas that are important for feeding, migration, or the lifecycle of species; or areas of biogenic habitat, structure forming habitat, or habitat for endangered or threatened species.

real-world conditions in a given area. Congress should ensure safety and improve agency decision making by imposing quantitative standards that are rigorous, but realistic. Congress could, for example, prohibit lease sales unless and until potential operators demonstrate that they can remove a specific percentage of oil from a worst-case scenario spill in the area of the OCS proposed for leasing.

- Congress should also require all OCS leases to include more rigorous safety and technology provisions. The government should develop and enforce its own technology standards for environmental and safety performance. For example, Congress could require OCS leases to provide that no exploration or development is allowed unless OCS operators demonstrate that they are using the most effective safety technology, regardless of cost. Congress should also require MMS to incorporate into OCS leases environmentally protective timing and location stipulations to reduce the potential for environmental damage and harm to coastal communities.
- Congress should also eliminate the provision of OCSLA that requires approval of an exploration plan within thirty days of the date the exploration plan is submitted. Currently, this requirement does not preclude MMS from conducting a thorough environmental analysis; MMS could complete a NEPA analysis before it deems an exploration plan submitted, for example. However, the thirty-day requirement has caused confusion and given MMS an excuse to rush its environmental analyses—or avoid them altogether—through the use of categorical exclusions. Congress should eliminate the 30-day deadline under which MMS must approve a "submitted" exploration plan to facilitate more rigorous NEPA analysis.
- At the exploration, development and production plan stages, the National Oceanic and Atmospheric Administration (NOAA and and the U.S. Fish & Wildlife Service (FWS) must issue permits or consult under the Marine Mammal Protection Act (MMPA), Magnuson-Stevens Fisheries Conservation and Management Act (MSA) and the Endangered Species Act (ESA). Similarly, the Environmental Protection Agency (EPA) may have responsibilities under the Clean Air Act and the Clean Water Act. Greater participation by these agencies in the five-year planning process and the preparation of associated NEPA documents will improve analysis and decision making as they carry their responsibilities under these statutes.

II. AMEND THE PROCESS FOR OCS ENVIRONMENTAL REVIEW, PLANNING AND DEVELOPMENT

The current process for administering oil and gas activities on the OCS can be improved by a series of targeted changes. First, expert agencies beyond MMS should have a much greater role in decisions about and preparation of environmental analyses for OCS oil and gas activities. Second, both five-year programs and individual lease sales should identify with greater precision areas of the OCS that will be subject to leasing; area-wide lease sales should be eliminated. Third, the statute should include explicit requirements governing the type of NEPA analysis that must be prepared at each stage of the OCSLA process.

A. The Secretary of Commerce should jointly develop and prepare five-year oil and gas leasing programs.

Congress should change Section 18 of OCSLA so that the Secretary of Commerce, who has resource protection responsibilities under the Marine Mammal Protection Act, the Endangered Species Act and the Magnuson-Stevens Fishery Conservation Act, is an equal partner in making initial decisions about if, when, where and how to allow oil and gas leasing, exploration and development on the OCS.

B. MMS and NOAA should jointly prepare NEPA documents for all OCS oil and gas activities, with input from other resource agencies and local experts.

To ensure that environmental analyses for OCS oil and gas actions are sufficiently comprehensive, Congress should amend OCSLA to require that NOAA and MMS jointly prepare NEPA documents. *See* 40 C.F.R. § 1501.5(b) ("Federal, State, or local agencies, including at least one Federal agency, may act as joint lead agencies to prepare an environmental impact statement …"). NOAA's broad ocean expertise and its role as a natural resource trustee will help ensure that environmental analyses contain a proper range of reasonable alternatives and assess accurately the risks of oil and gas activities. Congress should specify that other administrative agencies with relevant expertise, including USFWS, USGS, EPA, and others, contribute to the NEPA process as cooperating agencies. *See* 40 C.F.R. § 1506 (describing role of coordinating agencies). All agencies participating in the process should identify areas that must be off limits to oil and gas activities due to unavoidable and unacceptable impacts on other marine resources as well as and areas of special concern. The lead agencies should adopt the resource agencies' recommendations as to areas to be off limits to leasing, and disputes between or among agencies should be referred to the Council on Environmental Quality (CEQ) for resolution. The statute should also require that the Secretary solicit and take into account local and traditional knowledge from affected communities.[4] This would ensure that expert concerns are heard from the outset, and could help avoid complications later in the process. Affected states and local governments must also be partners in preparation of the NEPA analyses.

C. Alternatively, concurrence should be required by the Secretary of Commerce on five-year programs and NEPA documents for all offshore oil and gas activities.

An alternative to joint preparation of five-year programs and NEPA analyses is for Congress to require the Secretary of the Interior to obtain the concurrence of the Secretary of Commerce and other natural resource agencies as appropriate for both five-year OCS programs and for NEPA documents related to offshore oil and gas activities. A model for this approach is the requirement under section 404 of the Clean Water Act for concurrence by the Administrator of the Environmental Protection Agency for dredge spoil disposal permits by the Army Corps of Engineers.

[4] This requirement is particularly necessary in the Arctic, because of the cultural importance of ocean resources, the value of local and traditional knowledge, and the difficulty in engaging with Arctic communities.

D. The agencies should narrowly tailor planning and leasing decisions.

As a matter of policy, in developing five-year leasing programs during the past several decades, the Secretary of the Interior has defined "planning areas" that encompass tens or even hundreds of millions of acres. These planning areas are much larger than specific areas with high oil and gas development potential, and it is impossible to conduct meaningful environmental analyses on planning areas of that scale. Congress should amend section 18 of OCSLA to require five-year programs to identify with greater precision the portions of planning areas that will be open to oil and gas leasing by, for example, placing an upper limit on the percentage of a planning area that may be included in any one five-year leasing program. Alternatively, Congress could require MMS to focus individual lease sales on specific lease tracts, rather than offering enormous portions of planning areas.[5] It is also possible to require government oversight of seismic data collection so that the data can be used to more precisely define areas to be offered for lease.

E. Congress should mandate that environmental review adequately consider every stage of the oil and gas leasing and development process.

Under current law, agency practice and judicial interpretation, the segmented nature of the OCSLA process has resulted in poor quality NEPA analysis. At the five-year plan and lease sale phases, MMS's broad, generalized NEPA documents gloss over important issues and potential environmental impacts. Instead of filling in those gaps with detailed, site-specific information, later NEPA analyses—if any—largely recapitulate the information contained in previous documents. This analytical shell game results in a failure to analyze important effects on the human environment and missed opportunities to develop alternatives to the proposed actions. Congress should prevent this by mandating specific requirements for environmental analysis at each stage in the OCSLA process and requiring full, site-specific analysis of exploration and production as early as possible.

OCSLA should state explicitly that preparation of a national five-year program is a major federal action significantly affecting the quality of the human environment that requires the preparation of a programmatic Environmental Impact Statement (EIS). The NEPA analyses must assess fully the effects of oil and gas development and specifically must include an assessment of the effect of a 5-year schedule on any potential future alternative energy source or use of the OCS.

Congress should also explicitly require that a site-specific EIS be prepared at the lease-sale stage. As noted above, Congress should foster more meaningful environmental analysis by limiting lease sales so that they are targeted toward specific lease tracts rather than large sections of planning areas. Smaller lease sales will allow for site-specific analysis in lease-sale EISs. These site-specific lease sale EISs must include a full assessment of the effects of exploration and development. Current interpretation of OCSLA falsely treats the stages of oil and gas production as unrelated. As a result, MMS's NEPA analyses fail to address fully the effects of all aspects of oil and gas operations. For NEPA purposes, agencies should assume that exploration and

[5] Including the recommendations of NOAA and other expert entities as to areas where oil and gas activities should not occur due to unacceptable impacts to living marine and coastal resources will also serve to narrow the scale of the 5-year plan offerings.

development will follow the lease sale stage, and should assess all impacts from such exploration and development before leases are sold.

In addition to analyzing site-specific impacts of exploration and development, lease-sale EISs must include rigorous cumulative impact analyses to avoid the potential for geographic segmentation. They must also include an analysis of the potential impacts of a catastrophic oil spill—even if such an event is perceived to be unlikely—from the activities that could flow from the lease sale. NEPA analyses must also include a meaningful consideration of local and traditional knowledge. Categorical exclusions under NEPA must not be allowed for any OCS activity.

At the exploration or development stage, changes that have occurred since the lease sale EIS, or new information about projected impacts, will require preparation of a new or supplemental EIS to ensure that the effects of all aspects of oil and gas operations are assessed in an EIS. This is especially likely in frontier areas, or when operators intend to use new technologies. If the effects of exploration and development have been assessed fully at the leasing stage and there are no changes or new information, an Environmental Assessment (EA) should be prepared to assess impacts and determine whether an EIS is necessary, or whether a finding of no significant impact is adequate.

III. REQUIRE EFFECTIVE OIL SPILL PREVENTION AND RESPONSE

In the Oil Pollution Act of 1990 (OPA 90), Congress directed the President to "issue regulations which require an owner or operator of a tank vessel or facility … to prepare and submit to the President a plan for responding, to the maximum extent practicable, to a worst case discharge, and to a substantial threat of such a discharge, of oil or a hazardous substance." 33 U.S.C. § 1321(j)(5)(A)(i). According to that statute, such spill plans must "identify, and ensure by contract or other means approved by the President the availability of, private personnel and equipment necessary to remove to the maximum extent practicable a worst case discharge (including a discharge resulting from fire or explosion), and to mitigate or prevent a substantial threat of such a discharge." 33 U.S.C. § 1321(j)(5)(D)(iii) (emphasis added).

As the Deepwater Horizon tragedy has shown irrefutably, these requirements and the regulations promulgated pursuant to them are inadequate. The basic problems are as follows:

- There is a complete lack of accountability. Neither the law nor the regulations require operators to demonstrate that the spill response plan could be effective. There is no requirement that the Department of the Interior verify that the technologies proposed for use have been shown to work, that the vessels and other capacity on scene would be sufficient, or that coordinated efforts could be successful. Nor is there a standard against which the government can evaluate the company's description of the worst-case discharge. In short, there are no standards against which the government can measure the adequacy or likely effectiveness of a spill response plan.
- There is no requirement for federal or state response capabilities. In other words, if a spill were to exceed the response capacity (as it has in the Gulf of Mexico), there is no

requirement that other vessels or capacity be able to respond. This problem is particularly acute in the Arctic, where response capacity is nearly 1000 miles away.
- Technical standards are insufficient, and could be improved by requiring redundancy, requirements for relief well drilling, better modeling and studies of dispersants proposed for use.
- There should be no limit on liability for damages resulting from oil spills to ensure that the full cost of economic and environmental damages is recovered.

In developing spill response needs for specific geographic areas the following steps should be conducted:

- Conduct an Oil Spill Risk Assessment to provide a comprehensive evaluation of the oil spill risks from oil and gas activity, and to identify priority risk reduction measures that can be implemented to reduce oil spill risks.
- Assess oil spill response capacity. Evaluate the capacity of spill response systems (including dedicated equipment, vessels, and personnel available to respond to an oil spill). Use scenario analyses to examine the capabilities and limits of available technologies to respond to potential oil spills identified through a Spill Risk Assessment. Establish an ongoing testing and evaluation program to further refine available technologies and develop new technologies for offshore oil spill response.
- Conduct an oil spill response gap analysis**.** A "response gap" exists whenever environmental conditions exceed the operating limits of oil spill cleanup equipment. An oil spill response gap analysis will quantify the operating limits of the oil spill response systems available and will calculate how frequently those operating limits are reached in the area of oil and gas operations.
- Ensure the process is transparent and scientifically rigorous. All meetings, reports, and work products should be available for public and stakeholder review and input. All research projects and products should be peer reviewed.
- Establish regional citizen advisory councils for oil spill preparedness. One of the most effective provisions of OPA 90 was the creation of a regional panel made up of tribal and community representatives from the Prince William Sound. This body has proven to be effective at ensuring the best spill response and prevention capabilities have stayed in place since the Exxon Valdez oil spill. Congress should consider expanding this model nationwide.

IV. INVEST REVENUES DERIVED FROM OFFSHORE DEVELOPMENT IN OCEAN AND COASTAL CONSERVATION AND RESTORATION

The Deepwater Horizon spill provides a harsh reminder of the impacts of human activities on the health of marine ecosystems. To address these threats, Congress should establish permanently appropriated, dedicated funding for ocean, coastal, and Great Lakes conservation and management. There is a compelling logic in taking public revenues derived primarily from the extraction of non-renewable ocean resources and investing them in the conservation and management of renewable resources. Such a financing scheme will pay rich dividends long after the oil and gas coming from our oceans has been used. A good model for this is section 605 of the CLEAR Act, introduced last year by Chairman Rahall. The bill would cover ten percent of OCS revenue into the fund each year. This would provide approximately one billion dollars

annually for ocean and coastal management. The proposed trust fund would be used to support three classes of activities for protection, maintenance and restoration of marine ecosystem health: grants to states based on a formula similar to that used to allocate funds under the Coastal Zone Management Act; competitive grants for ocean conservation and management available to public and private entities; and grants to support regional ocean partnerships.

In addition, as the events of the last two months have revealed, the technology and capacity to prevent, respond to and restore damage from oil spills is woefully inadequate. We need to find balance between extraction capability and response and recovery capability. Congress should revitalize the Oil Spill Liability Trust Fund by increasing revenue going into it, and by making substantial funding available for research and development of oil spill prevention, response and recovery technologies and techniques.

CONCLUSION

The tragedy in the Gulf of Mexico makes it all too clear that we simply must make better decisions about the management of our offshore energy resources, for the safety of offshore workers, for the health of our oceans and coasts, and for the coastal communities that depend on them. The OCSLA, and its implementation over many years, has allowed offshore development that is too focused on extraction and insufficiently focused on ensuring safety and protecting the environment. The flaws in our offshore development process have long been known, but until now the political will to change the system has largely been lacking. Our system of government often responds best in a crisis. If any good can come from the Deepwater Horizon spill, perhaps it is that Congress will find the impetus to reform the laws governing offshore development and response to oil spills.

Mr. Chairman and members of the Committee, we look forward to working with both Congress and the Administration to ensure that the health of our oceans and coasts is protected as we meet our nation’s energy needs. This should not be an either or proposition.